NSC BRIEFING

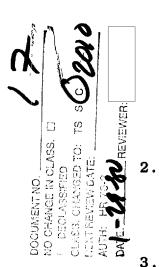
CONFIDENTIAL

20 January 1960

BACKGROUND

CYPRUS

- I. Deadlock at last weekend's Cyprus conference (16-18 January) in London resulted primarily from failure to reach agreement on size of British military bases to be retained on island after independence. Informal meetings between British and Cypriots continue in London. Size of sovereign areas to be retained are directly related to willingness of Cypriots to make certain facilities available to British military on rest of Cyprus.
 - A. British took firm position at conference. They warned that failure to accept their demands could result in cancellation entire Cyprus agreement of last February.
 - Over two military bases—army base near Dhekelia and air base near Akrotiri—and would have certain rights 25X1 in other parts of island; e.g., use of roads, ports, existing small military installations, etc. Boundaries of bases were not drawn, however.
 - At conference, British insisted on bases covering about 120 square miles. British military reportedly insist on this as minimum practical area.
 - British made small concessions regarding agricultural land near bases and offered to rehouse, outside of bases, several hundred Cypriots now living in area claimed by UK.



25 YEAR RE-REVIEW

- B. Archbishop Markarios has insisted on restricting British sovereignty to about 40 square miles but indicated willingness to grant other facilities on island.
 - 1. Both Communists and extreme nationalists on Cyprus and General Grivas in Athens have warned Makarios against concessions on size of bases.
 - Failure of Makarios to obtain concessions from UK
 would weaken his position and possible splinter his
 moderate party to the advantage of both the Communists
 and far right.
 - One possible benefit from conference was its contribution to apparently growing collaboration of Greek and Turkish Cypriots.
- II. Eventually some type agreement appears almost certain and independence by 19 March--the new target date--now appears likely.
 - A. Spirit of good-will demonstrated throughout conference despite disagreements. All sides appear anxious for settlement.
 - British have only skeleton administrative staff remaining on Cyprus.
 - Cypriots desire take over government as soon as possible and present delay has caused disillusionment among people on island.





- B. Compromise may involve restricting sovereign area but providing long lease on area areas desired by British.
- C. Financial arrangements, some payment by British for use of facilities on island, would make compromise easier for Cypriots to accept.

